

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1157 be amended to read as follows:

- 1 Page 6, line 41, delete "," and insert "**under IC 20-5-2.7,**".
- 2 Page 7, line 7, delete "," and insert "**under IC 20-5-2.7,**".
- 3 Page 9, line 36, after "is" insert "**subject to regulation by the**
- 4 **department of insurance created by IC 27-1-1-1.**".
- 5 Page 9, delete lines 37 through 40.
- 6 Page 10, delete line 12.
- 7 Page 10, line 17, delete "." and insert "; **and**
- 8 **(3) approved by the commissioner.**".
- 9 Page 11, line 4, delete ";" and insert ", **including a provision**
- 10 **specifying that an existing member may not leave the cooperative**
- 11 **program unless the member's departure is specifically approved**
- 12 **by the commissioner;**".
- 13 Page 11, between lines 7 and 8, begin a new paragraph and insert:
- 14 "**(c) The following must be submitted to and approved by the**
- 15 **commissioner before a cooperative program may commence**
- 16 **operations:**
- 17 (1) **The interlocal agreement described in subsection (a).**
- 18 (2) **The bylaws described in subsection (b).**
- 19 (3) **The form and purchase by the cooperative program of any**
- 20 **insurance contracts, including contracts for aggregate**
- 21 **insurance coverage and specific insurance coverage.**
- 22 (4) **An accounting, based on generally accepted actuarial**
- 23 **standards, of sufficient reserves committed before**

1 commencement of operations to pay obligations of the
2 cooperative program.

3 (5) Each coverage document form to be issued by the
4 cooperative program.

5 (6) Any other information determined necessary by the
6 commissioner.

7 (d) If the commissioner does not disapprove the information
8 submitted under subsection (c) earlier than thirty (30) days after
9 the information is submitted, the information is considered
10 approved."

11 Page 12, line 11, after "year" insert "or less, as determined by the
12 commissioner,".

13 Page 12, line 18, delete "one (1) year" and insert "the period
14 determined by the commissioner under subsection (c)".

15 Page 12, between lines 22 and 23, begin a new paragraph and insert:
16 "(e) A cooperative program is subject to IC 27-9.

17 (f) A cooperative program shall be considered a member
18 insurer for purposes of IC 27-6-8."

19 Page 12, line 39, after "judgment." insert "This section does not
20 prohibit the commissioner from obtaining the information
21 described in this section."

22 Page 13, between lines 20 and 21, begin a new paragraph and insert:

23 "SECTION 5. IC 27-6-8-3 IS AMENDED TO READ AS FOLLOWS
24 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) This chapter applies to all
25 kinds of direct insurance except:

- 26 (1) life, annuity, health, or disability insurance;
- 27 (2) mortgage guaranty, financial guaranty, or other forms of
- 28 insurance offering protection against investment risks;
- 29 (3) fidelity or surety bonds, or any other bonding obligations;
- 30 (4) credit insurance, vendors' single interest insurance, or
- 31 collateral protection insurance or similar insurance with the
- 32 primary purpose of protecting the interests of a creditor arising
- 33 out of a creditor-debtor transaction;
- 34 (5) warranty or service contract insurance;
- 35 (6) title insurance;
- 36 (7) ocean marine insurance;
- 37 (8) a transaction between a person or an affiliate of a person and
- 38 an insurer or an affiliate of an insurer that involves the transfer of
- 39 investment or credit risk without a transfer of insurance risk;
- 40 (9) insurance provided by or guaranteed by a government entity;
- 41 and
- 42 (10) insurance written on a retroactive basis to cover known
- 43 losses for which a claim has already been made and the claim is
- 44 known to the insurer at the time the insurance is bound.

(b) This chapter applies to coverage provided under a cooperative program established under IC 20-5-2.7. For purposes of this chapter, a cooperative program is considered to be a member insurer.

SECTION 6. IC 27-9-1-1, AS AMENDED BY P.L.5-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. Proceedings under this article apply to the following:

- (1) All insurers who are doing, or who have done, insurance business in Indiana, and against whom claims arising from that business may exist.
- (2) All insurers who purport to do insurance business in Indiana.
- (3) All insurers who have insureds resident in Indiana.
- (4) All other persons organized or in the process of organizing with the intent to do an insurance business in Indiana.
- (5) All nonprofit service plans, fraternal benefit societies, and beneficial societies.
- (6) All title insurance companies.
- (7) All health maintenance organizations under IC 27-13.
- (8) All multiple employer welfare arrangements under IC 27-1-34.
- (9) All limited service health maintenance organizations under IC 27-13-34.
- (10) All mutual insurance holding companies under IC 27-14.
- (11) All cooperative programs established under IC 20-5-2.7."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1157 as printed January 30, 2004.)

Representative Fry